

AMENDMENT TO MR. TAUZIN'S AMENDMENT**OFFERED BY MR. JOHN****(Page & line nos. refer to Chairman's Mark of June 17, 2003)**

Amend section 405(c) (page 181, lines 1 through 14) to read as follows:

1 (c) ELIMINATION OF THE ISOLATION TEST FOR COST-
2 BASED CAH AMBULANCE SERVICES.—

3 (1) IN GENERAL.—Section 1834(l)(8) (42 U.S.C.
4 1395m(l)), as added by section 205(a) of BIPA (114 Stat.
5 2763A-482), is amended by striking the comma at the end
6 of subparagraph (B) and all that follows and inserting a
7 period.

8 (2) TECHNICAL CORRECTION.—Section 1834(l) (42
9 U.S.C. 1395m(l)) is amended by redesignating paragraph
10 (8), as added by section 221(a) of BIPA (114 Stat.
11 2763A-486), as paragraph (9).

Insert at the end of title IV (page 193, after line 15)
the following new sections (and conform the table of con-
tents accordingly):

12 **SEC. 415. PERMANENT INCREASE FOR HOME HEALTH**
13 **SERVICES FURNISHED IN A RURAL AREA.**

14 Section 1895 (42 U.S.C. 1395fff) is amended by adding
15 at the end the following new subsection:

16 "(f) INCREASE IN PAYMENT FOR SERVICES FURNISHED
17 IN A RURAL AREA.—

18 "(1) IN GENERAL.—In the case of home health serv-
19 ices furnished in a rural area (as defined in section
20 1886(d)(2)(D)), on or after April 1, 2003, the Secretary
21 shall increase the payment amount otherwise made under
22 this section for such services by 10 percent.

23 "(2) WAIVER OF BUDGET NEUTRALITY.—The Sec-
24 retary shall not reduce the standard prospective payment

1 amount (or amounts) under this section applicable to home
2 health services furnished during a period to offset the in-
3 crease in payments resulting from the application of para-
4 graph (1).''.

5 **SEC. 416. ESTABLISHMENT OF FLOOR ON GEOGRAPHIC**
6 **ADJUSTMENTS OF PAYMENTS FOR PHYSI-**
7 **CIAANS' SERVICES.**

8 Section 1848(e)(1) (42 U.S.C. 1395w-4(e)(1)) is
9 amended—

10 (1) in subparagraph (A), by striking "subparagraphs
11 (B) and (C)" and inserting "subparagraphs (B), (C), and
12 (E)"; and

13 (2) by adding at the end the following new subpara-
14 graph:

15 "(E) FLOOR FOR PRACTICE EXPENSE, MAL-
16 PRACTICE, AND WORK GEOGRAPHIC INDICES.—For pur-
17 poses of payment for services furnished on or after
18 January 1, 2004, after calculating the practice expense,
19 malpractice, and work geographic indices in clauses (i),
20 (ii), and (iii) of subparagraph (A) and in subparagraph
21 (B), the Secretary shall increase any such index to 1.00
22 for any locality for which such index is less than
23 1.00."

24 **SEC. 417. AMBULANCE PAYMENT RATES.**

25 (a) PAYMENT RATES.—Section 1834(l)(3) (42 U.S.C.
26 1395m(l)(3)) is amended to read as follows:

27 "(3) PAYMENT RATES.—

28 "(A) IN GENERAL.—Subject to any adjustment
29 under subparagraph (B) and paragraph (9) and the
30 full payment of a national mileage rate pursuant to
31 subparagraph (2)(E), in establishing such fee schedule,
32 the following rules shall apply:

33 "(i) PAYMENT RATES IN 2003.—

34 "(I) GROUND AMBULANCE SERVICES.—In
35 the case of ground ambulance services fur-
36 nished under this part in 2003, the Secretary
37 shall set the payment rates under the fee

1 schedule for such services at a rate based on
2 the average costs (as determined by the Sec-
3 retary on the basis of the most recent and reli-
4 able information available) incurred by full cost
5 ambulance suppliers in providing nonemergency
6 basic life support ambulance services covered
7 under this title, with adjustments to the rates
8 for other ground ambulance service levels to be
9 determined based on the rule established under
10 paragraph (1). For the purposes of the pre-
11 ceding sentence, the term 'full cost ambulance
12 supplier' means a supplier for which volunteers
13 or other unpaid staff comprise less than 20
14 percent of the supplier's total staff and which
15 receives less than 20 percent of space and other
16 capital assets free of charge.

17 "(II) OTHER AMBULANCE SERVICES.—In
18 the case of ambulance services not described in
19 subclause (I) that are furnished under this part
20 in 2003, the Secretary shall set the payment
21 rates under the fee schedule for such services
22 based on the rule established under paragraph
23 (1).

24 "(ii) PAYMENT RATES IN SUBSEQUENT YEARS
25 FOR ALL AMBULANCE SERVICES.—In the case of
26 any ambulance service furnished under this part in
27 2004 or any subsequent year, the Secretary shall
28 set the payment rates under the fee schedule for
29 such service at amounts equal to the payment rate
30 under the fee schedule for that service furnished
31 during the previous year, increased by the percent-
32 age increase in the Consumer Price Index for all
33 urban consumers (United States city average) for
34 the 12-month period ending with June of the pre-
35 vious year.

36 "(B) ADJUSTMENT IN RURAL RATES.—For years
37 beginning with 2004, the Secretary, after taking into

1 consideration the recommendations contained in the re-
2 port submitted under section 221(b)(3) the Medicare,
3 Medicaid, and SCHIP Benefits Improvements and Pro-
4 tection Act of 2000, shall adjust the fee schedule pay-
5 ment rates that would otherwise apply under this sub-
6 section for ambulance services provided in low density
7 rural areas based on the increased cost (if any) of pro-
8 viding such services in such areas.".

9 (b) CONFORMING AMENDMENT.—Section 221(c) of BIPA
10 is repealed.